

# Annual Planning Information and Workforce Analysis Reports: Northwest Michigan

State of Michigan

Department of Technology, Management and Budget

Bureau of Labor Market Information and Strategic Initiatives

**Regional Contact:**

Brandon Betz

517.335.3875

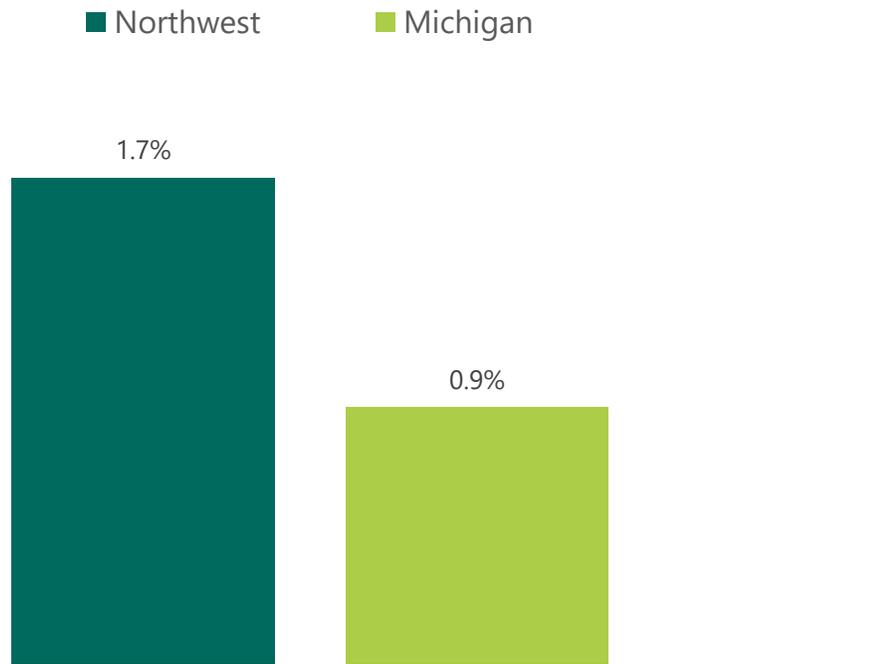
[betzb2@michigan.gov](mailto:betzb2@michigan.gov)

# Population Trends and Characteristics

Tables 1-3

## ***Regional population up 2 percent between 2011 and 2017, doubling the statewide growth rate.***

**Population Change (2011-2017)**



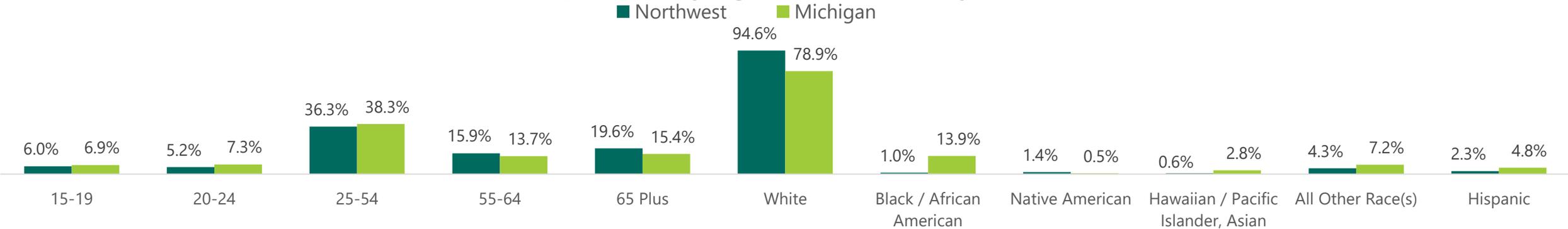
Source: U.S. Census Bureau, Annual Population Estimates

- The Northwest Prosperity Region had a 1.7 percent increase in its population from 2011 and 2017, a larger percentage rise than the state overall which gained only 0.9 percent over the same period. The growth amounts to 6,300 more residents for the region in 2017 than in 2011. Nationwide, the population rose by 4.5 percent over this period. **(Table 1)**
- Since 2015, the population growth rate has fallen 0.6 percentage points. **(Table 1)**
- Grand Traverse County saw the largest percentage gain in population at 3.8 percent (3,500 persons) while Manistee County experienced the largest decline of 1.4 percent (-300 residents). **(Table 1)**

# Northwest Michigan's population is majority white and slightly older than rest of the state.

- The gender distribution in Northwest Michigan was weighted fairly evenly in the region. Females composed half of the population. **(Table 2)**
- Northwest Michigan holds a slightly larger share of older residents compared with the state average. The share of the population 55+ years of age made up 36 percent of the population; this range contrasts the 29 percent average in Michigan overall. **(Table 2)**
- The Northwest Prosperity Region had a higher proportion of white residents; 95 percent of residents were white, as compared to 81 percent in Michigan. African Americans only makeup 1 percent of the population compared with 14 percent in Michigan overall. **(Table 2)**

**Population by Age, Race / Ethnicity**

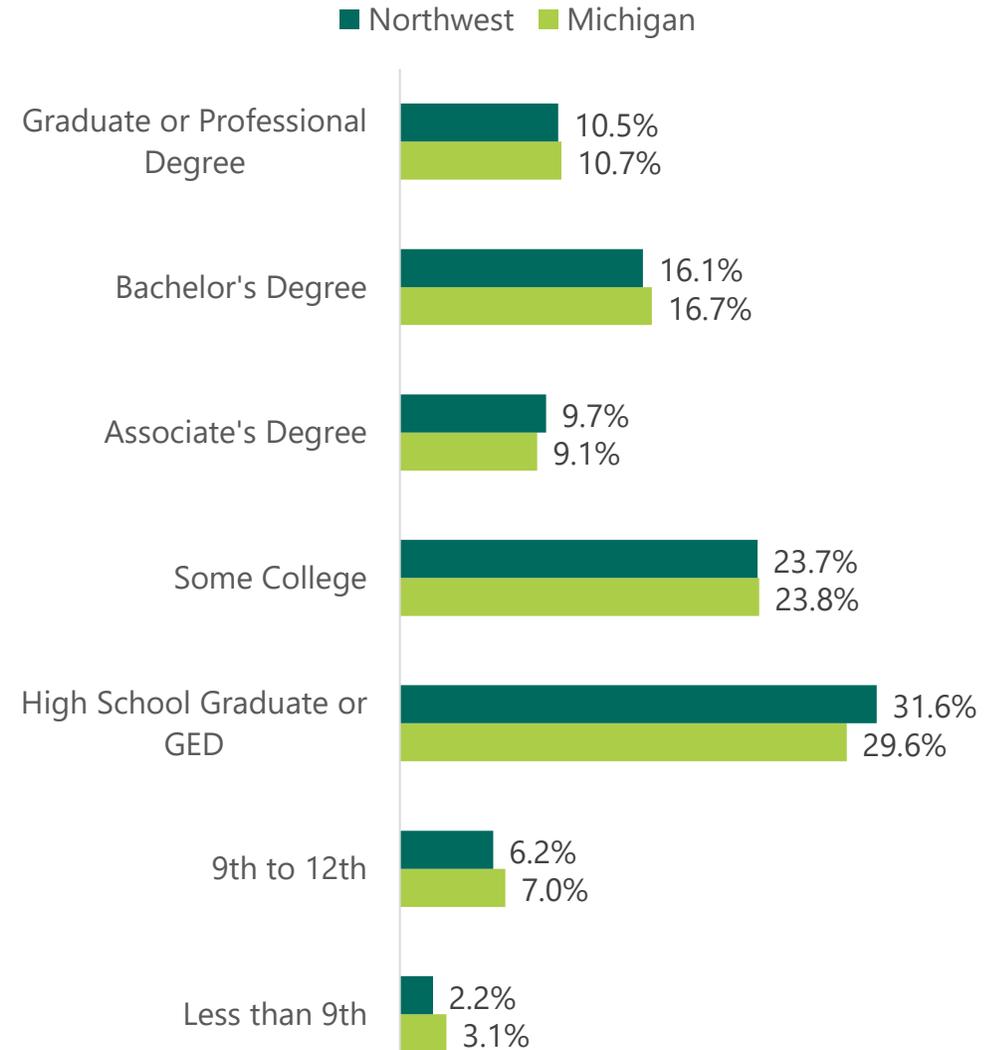


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey 5-Year Estimates

# Northwest Michigan residents have a similar distribution of education compared to the state overall.

- A region's educational attainment is based on the number of residents 25 and older with various education levels. In Northwest Michigan, there are more residents with a high school diploma or GED than seen statewide: 32 percent versus 30 percent respectively. **(Table 3)**
- The proportion of residents in Northwest Michigan with a college degree is 36 percent as compared to 37 percent in Michigan overall. **(Table 3)**

## Educational Attainment



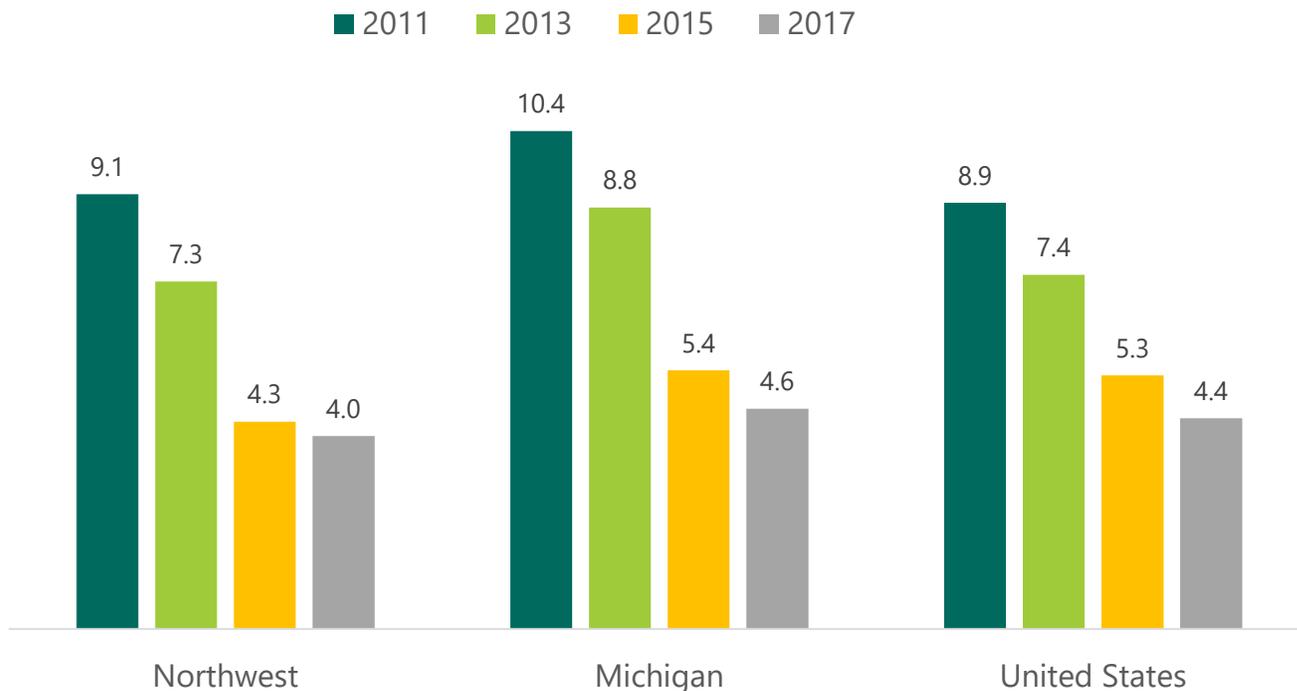
Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

# Labor Force and Employment Trends and Characteristics

Tables 4-7 and 12

# Unemployment lower since 2011, matched by a larger labor force and employment above 2011 levels.

### Unemployment Rates



Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Local Area Unemployment Statistics (LAUS)

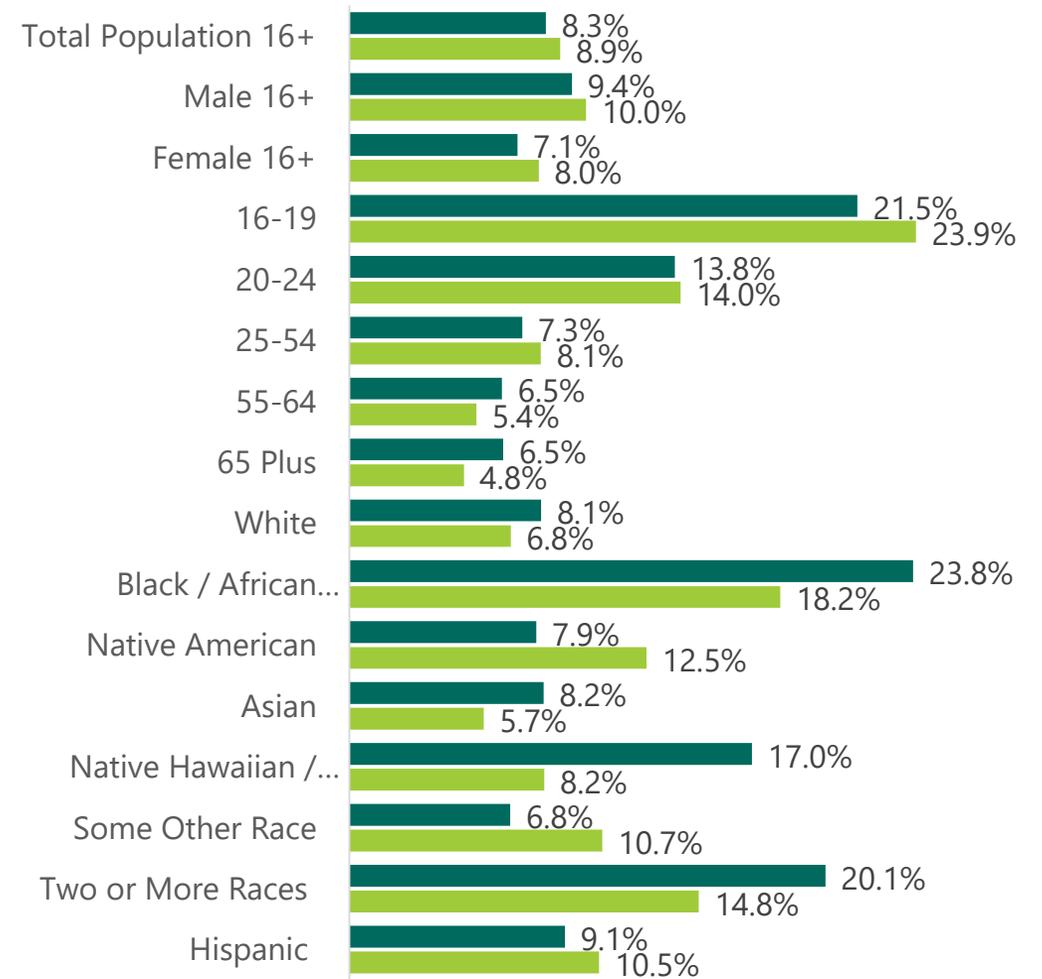
- Since 2015, the jobless rate has fallen 0.5 percentage points in Northwest Michigan. **(Table 6)**
- The unemployment rate for Northwest Michigan followed state and national trends, dropping significantly between 2011 and 2017.
- Over that period, the jobless rate fell by 5.8 percentage points and the count of unemployed individuals dropped by 8,300, or 50 percent. **(Tables 6 and 12)**
- The size of the labor force rose by 3,600 (+2.5 percent), and the number of employed individuals also posted recent gains. **(Tables 4 and 5)**
- In Northwest Michigan, the labor force measured 150,000 in 2017, up about 2,500 from 2015. **(Table 4)**

# Regional jobless rates elevated for youth and young adults as well as some minority groups.

- Generally, unemployment rates have been dropping as the recovery from the great recession continues. This is reflected in continual declines in the unemployment rate for demographic categories.
- The jobless rate for the Northwest Michigan population 16+ (8.3 percent) was less than the state rate (8.9 percent) for the 2012-2016 period. **(Table 7)**
- According to estimates from the U.S. Census Bureau, there were more males than females participating in the labor market in Northwest Michigan. However, males experienced a higher unemployment rate at 9.4 percent, compared to 7.1 percent for females. **(Table 7)**
- While the regional jobless rates for the Hispanic and Native American populations were lower than the state level, higher rates were seen among the White, African American, Asian, Native Hawaiian, and Two or More Race communities. **(Table 7)**

Unemployment Rates by Sex, Age, and Race / Ethnicity

■ Northwest ■ Michigan



Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

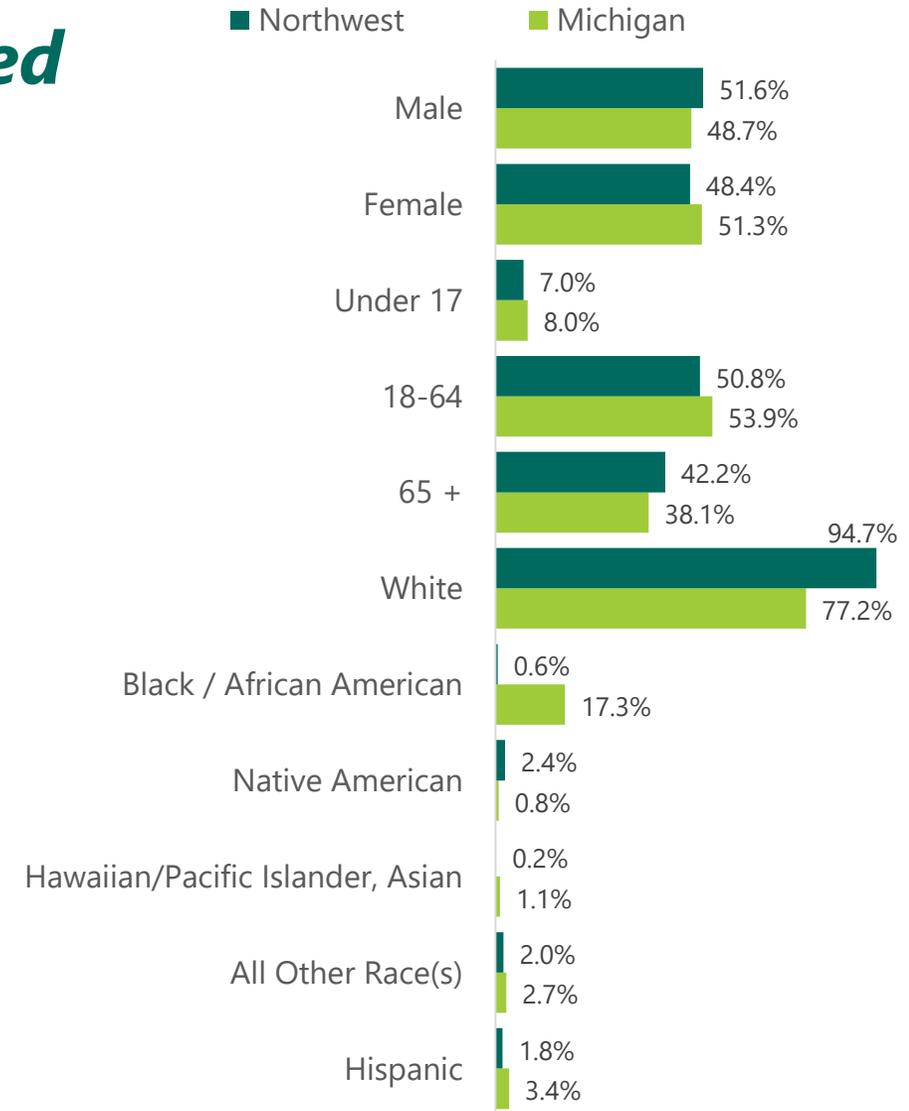
# Individuals with Barriers to Employment

Tables 28-36

# Racial share of individuals with a disability weighed heavily toward white when compared to Michigan overall.

- According to the U.S. Census Bureau, 44,900 people in Northwest Michigan report a disability. About 42 percent of them were 65 years of age and older; slightly higher than the state average of 38 percent. **(Table 28)**
- Nine out of ten individuals with disabilities in the Northwest region were white (95 percent), a reflection of the group’s 95 percent share of total population in the region. **(Table 28)**
- The percentage of male and female individuals with disabilities in Northwest Michigan is on par with the state average in both categories. The male-to-female share of individuals with disabilities in the Northwest Region is 52 to 48 percent respectively; in the state of Michigan the share is 49 to 51 percent. **(Table 28)**

## Individuals with a Disability

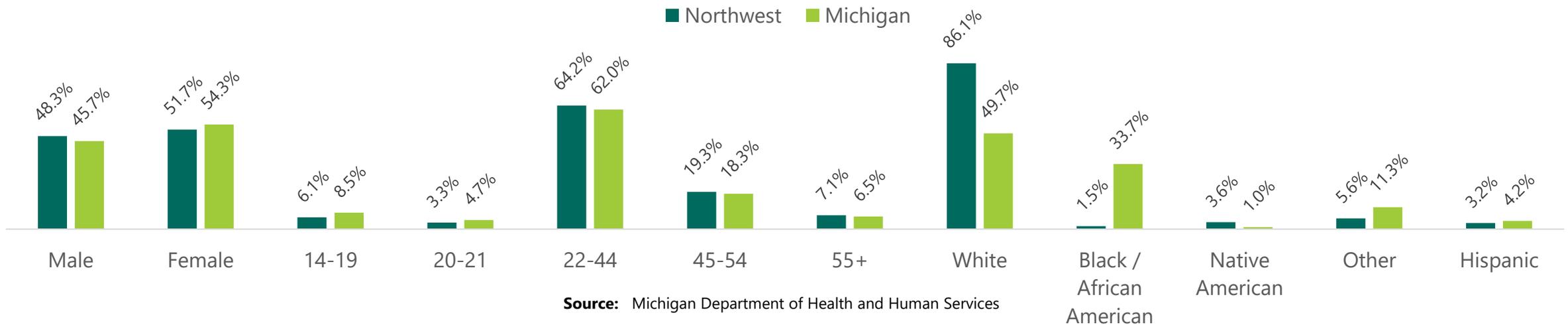


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

# Majority of assistance program recipients concentrated in the working age and white demographic categories.

- According to the Michigan Department of Health and Human Services, roughly 9,000 assistant program recipients were in Northwest Michigan counties as of June 2017. **(Table 30)**
- The majority of the assistance program registrants were in the prime working age of 22 to 44 (about 64 percent). **(Table 30)**
- Approximately 86 percent of the registrants were White and 1.5 percent were Black or African American. **(Table 30)**

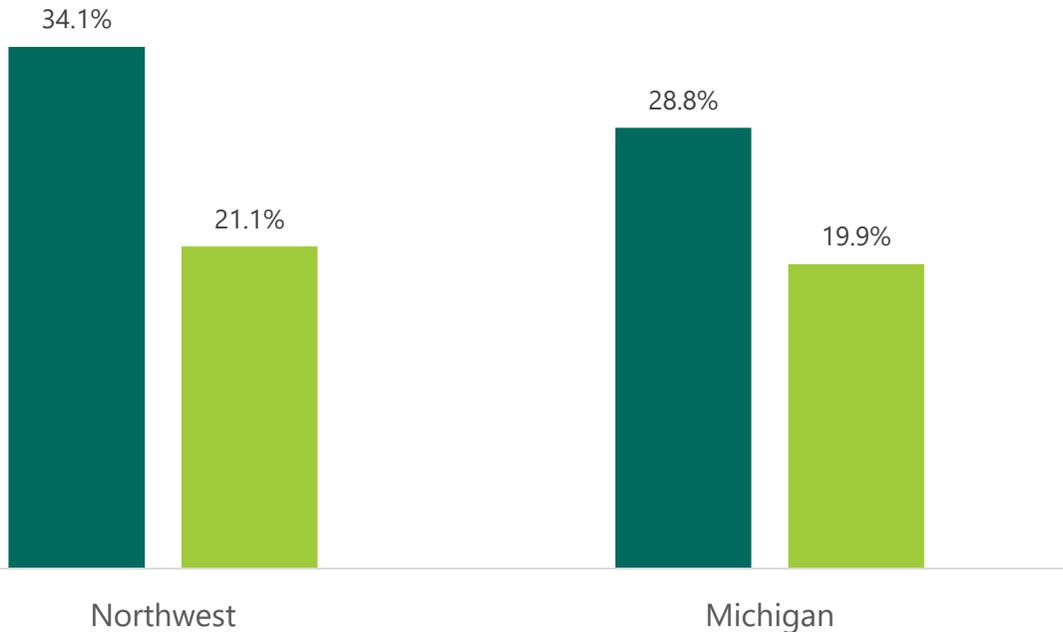
**Assistance Program Recipients by Sex, Age, and Race / Ethnicity**



# Long-term joblessness second highest among all Prosperity Regions.

Percentage Long-Term Unemployed of Total Unemployed

■ 2015 ■ 2017



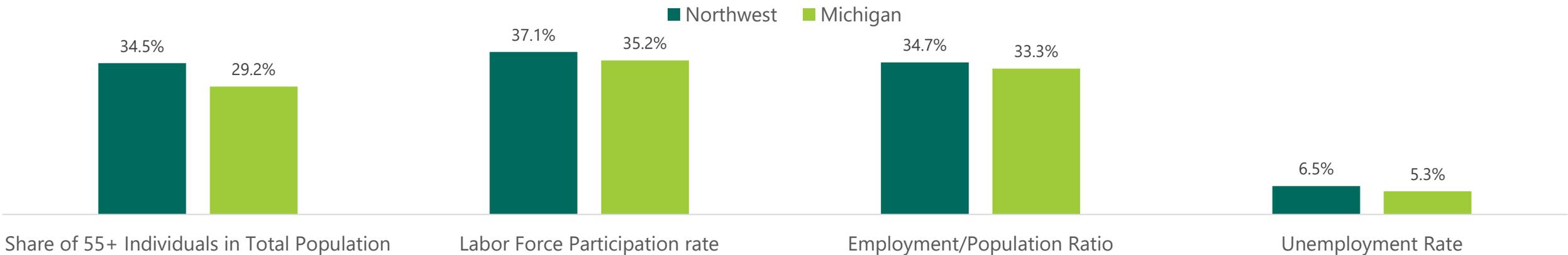
Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives

- Since 2015, long-term unemployment decreased from 34 percent to 21 percent in Northwest Michigan, while the state's rate decreased 8.9 percent over the same period. **(Table 34)**
- The number of long-term unemployed individuals, or the share of individuals out of work for 27 weeks or more, has made a significant recovery since 2010. In 2010, 51 percent of unemployed Northwest Michigan residents were considered long-term unemployed. That number has since shrunk to 21 percent in 2017. **(Table 34)**
- The Northwest region's share of long-term unemployed has not fared well relative to Michigan's other prosperity regions. In 2010, the Northwest region had the second highest rate of long-term unemployed. This rank has improved to fifth highest in 2017. **(Table 34)**

# Northwest Michigan's labor force participation rate for older workers higher than Michigan's.

- The share of older workers aged 55 years and older in the Northwest region is higher than that of Michigan, at 34.5 percent. **(Table 35)**
- The labor force participation rate for older workers is slightly higher in Northwest Michigan compared to Michigan by about two percent. The percentage of older workers employed among all residents 55 years and older is at 35 percent. **(Table 35)**
- The jobless rate of older workers in Northwest Michigan is above the Michigan rate of 5.3 percent, marked at 6.5 percent in 2012-2016. **(Table 35)**

## Labor Force Status of Older Workers

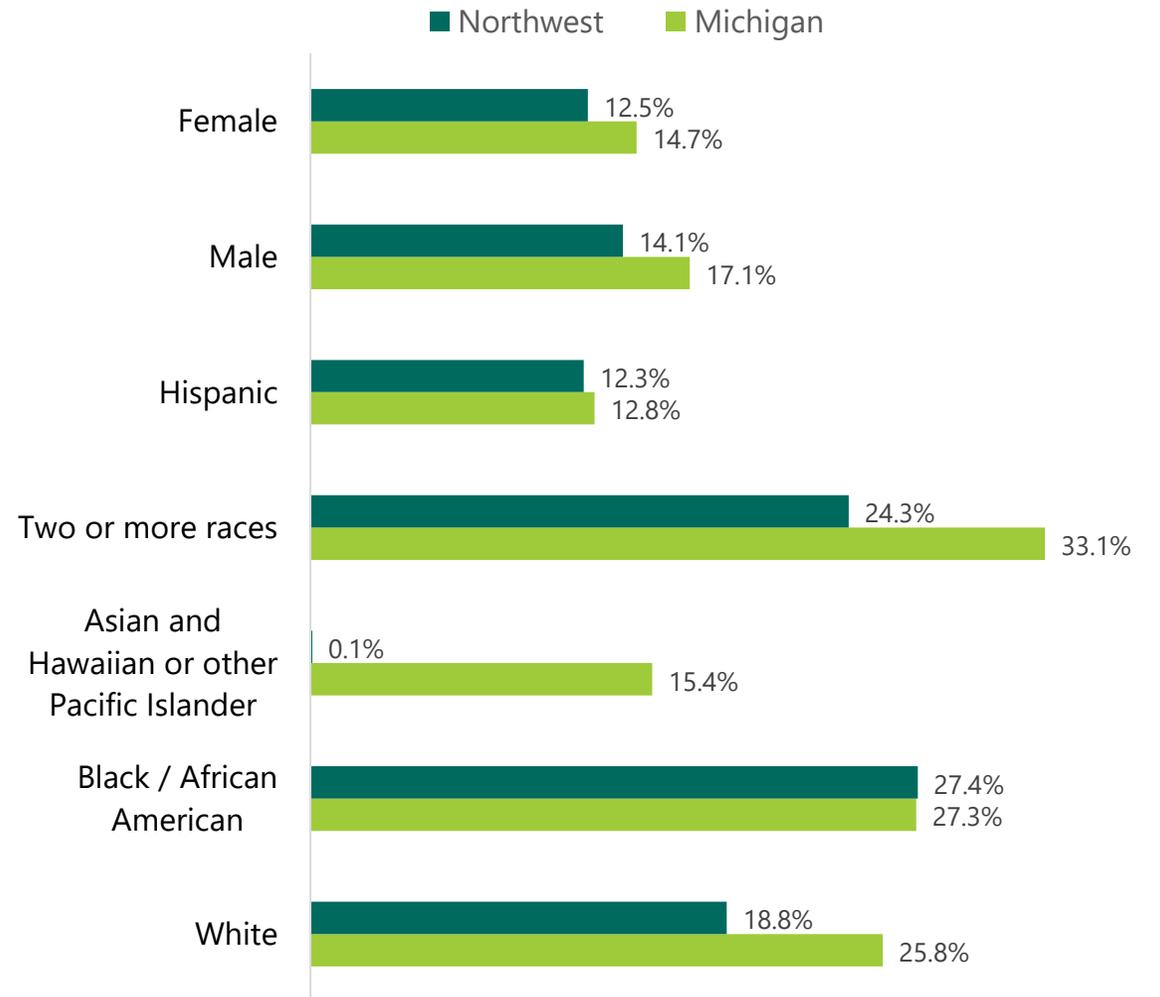


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

# Poverty rate at 13 percent in Northwest Michigan, below the statewide rate.

- The U.S. Census Bureau estimated approximately 37,988 individuals (or 13 percent of the population) lived below the poverty line in Northwest Michigan. This is approximately three percentage points below the poverty rate in the state overall, which was marked at 16 percent. **(Table 36)**
- Black or African American individuals have the highest poverty rate in Northwest Michigan at 27 percent, which is in line with that of the state overall. This is followed by individuals of two or more races, Whites, and Hispanics. **(Table 36)**
- The share of men living in poverty is slightly higher than that of females in both areas. **(Table 36)**

### Poverty by Sex and Race / Ethnicity



Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

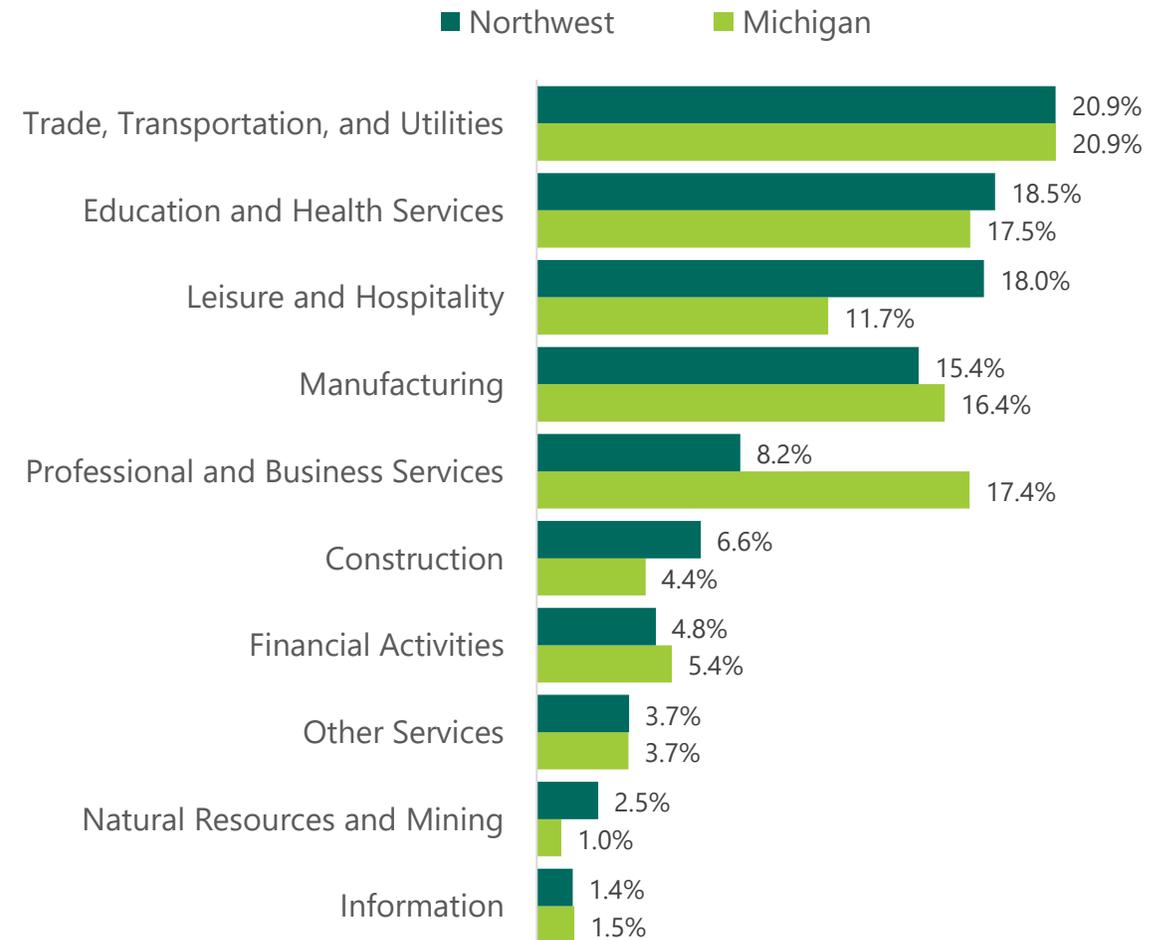
# Existing and Emerging In-Demand Industry Sectors and Occupations

Tables 8-11 and 17-26

# Nearly 40 percent of regional employment lies in top two most-concentrated industries.

- In the 2<sup>nd</sup> quarter of 2017, *Trade, transportation, and utilities* was the region's largest broad industry sector, employing just over one in five of the region's workers. **(Table 8)**
- After *Trade, transportation, and utilities*, the region's largest sectors are *Education and health services*, *Leisure and hospitality*, and *Manufacturing*. **(Table 8)**
- While the 2<sup>nd</sup> quarter is used for this analysis because it is the quarter least-affected by seasonal patterns, seasonal ebbs and flows are especially influential on regional industry employment, causing variance among *Education and health service* occupations and other important industries throughout the year. **(Table 8)**

## Distribution of Industry Jobs, 2<sup>nd</sup> Quarter 2017

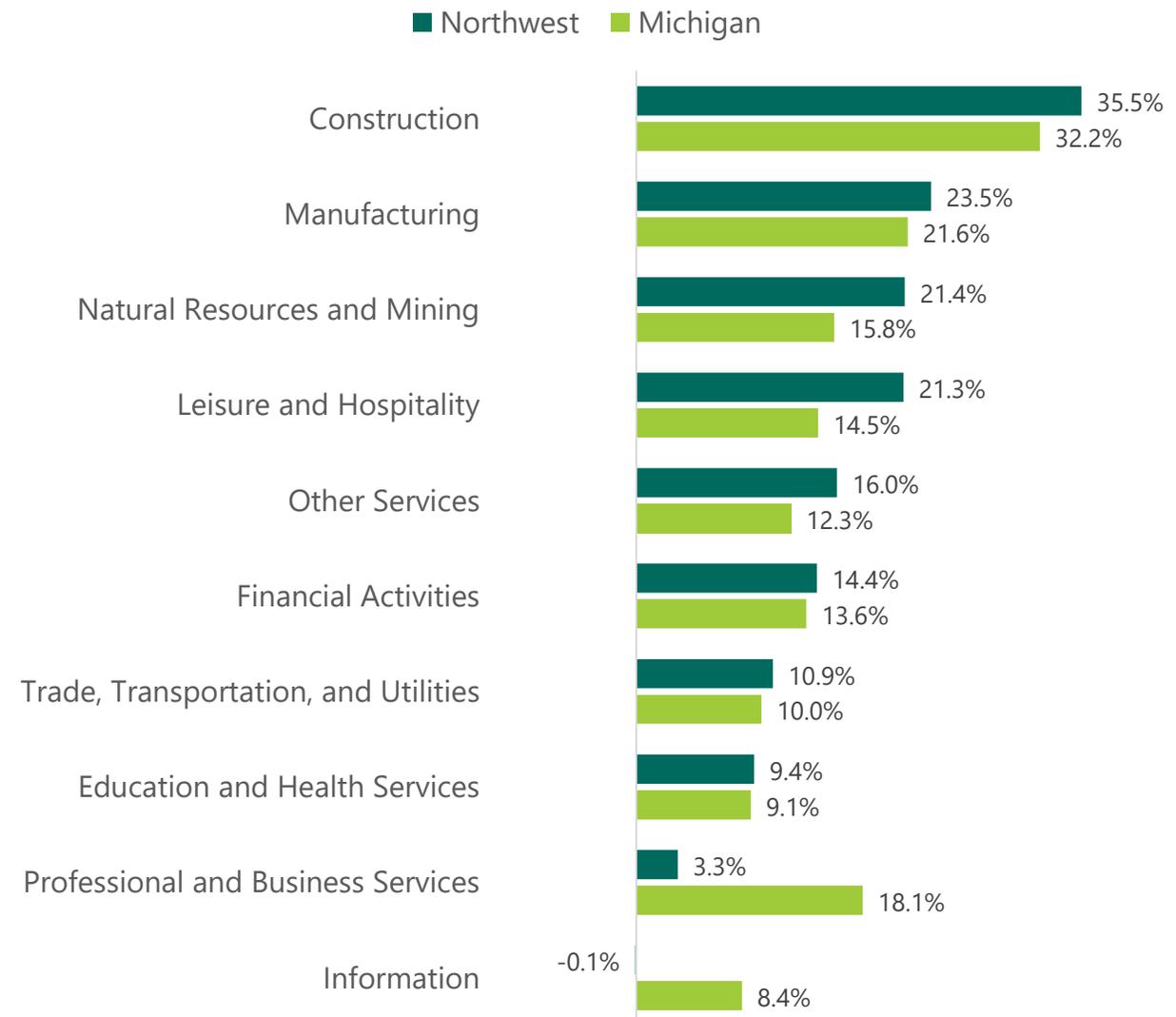


Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

# Construction and manufacturing experience high rates of job growth since 2011.

- Jobs in the northwest region saw the largest growth in the *Construction* industry, accounting for 1 in 3 of all new jobs created between 2011 and 2017. **(Table 8)**
- *Manufacturing* saw the next largest growth in jobs from 2011 to 2017 followed by *Natural resources and mining*, *Leisure and hospitality*, and *Other services*. **(Table 8)**
- Northwest Michigan jobs in *Professional and business services* and *Information* had the largest difference in growth compared to Michigan. The first had a lower rate of growth by 15 percentage points, while the latter was also lower by 8.5 percentage points **(Table 8)**

Private Sector Job Percent Change 2011-2017



Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

# Online job postings reach almost 4,000 in 2<sup>nd</sup> quarter 2017.

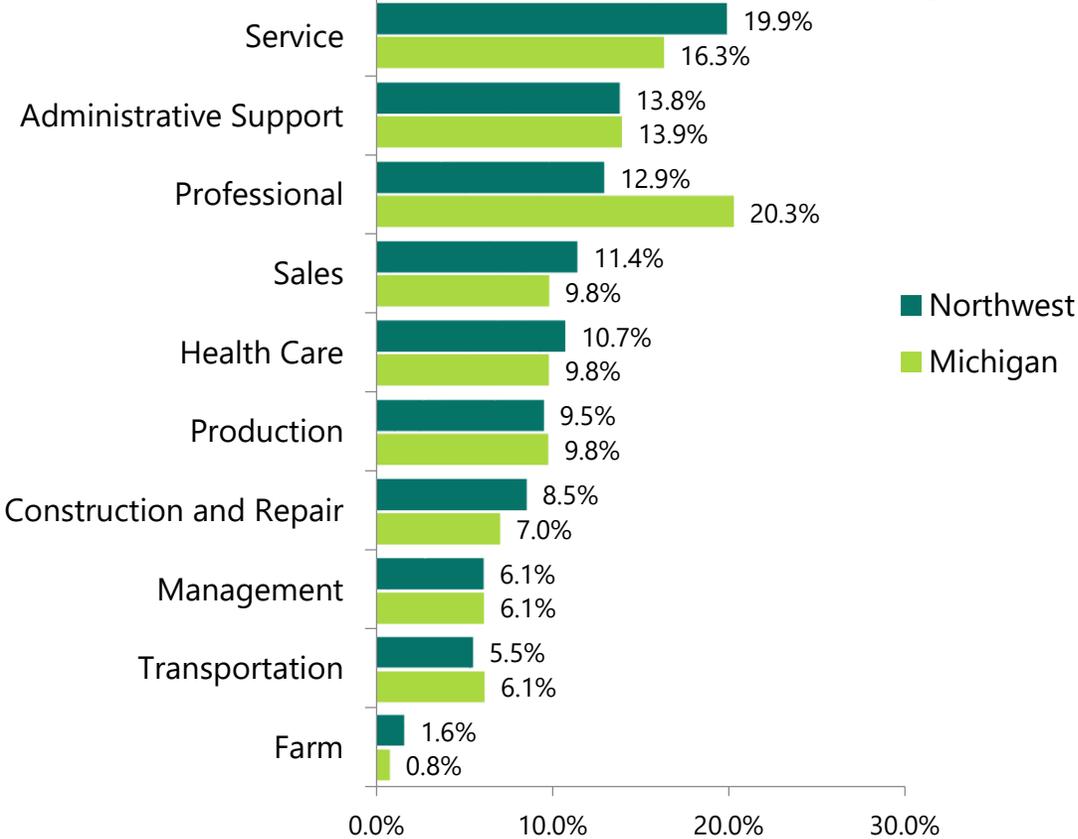
Online Advertised Job Postings – Northwest Michigan	
Job Title	Number
Registered Nurses	269
First-Line Supervisors of Retail Sales Workers	150
Retail Salespersons	136
First-Line Supervisors of Food Preparation and Service	91
Heavy and Tractor-Trailer Truck Drivers	83
Maintenance and Repair Workers, General	82
Stock Clerks and Order Fillers	74
Landscaping and Groundskeeping Workers	70
Janitors and Cleaners, Except Maids and Housekeeping	51
Cooks, Restaurant	48

Source: The Conference Board, Help Wanted Online Database

- As of the 2<sup>nd</sup> quarter of 2017, approximately 4,000 jobs were advertised online in Northwest Michigan, according to the Conference Board’s Help Wanted Online Database. This is a decrease of 200 ads since 1<sup>st</sup> quarter 2017. **(Table 17)**
- Among major occupational categories, the largest number of jobs were in *Healthcare practitioners and technical occupations* accounting for 11 percent (600 ads) of all jobs. **(Table 17)**
- The top job advertisements were in *Registered nurses, First-line supervisors of retail sales workers, and Retail salespersons*. **(Table 18)**

# Service jobs will compose largest share of all jobs by 2024.

Projected 2024 Distribution of Jobs by Broad Occupational Groups



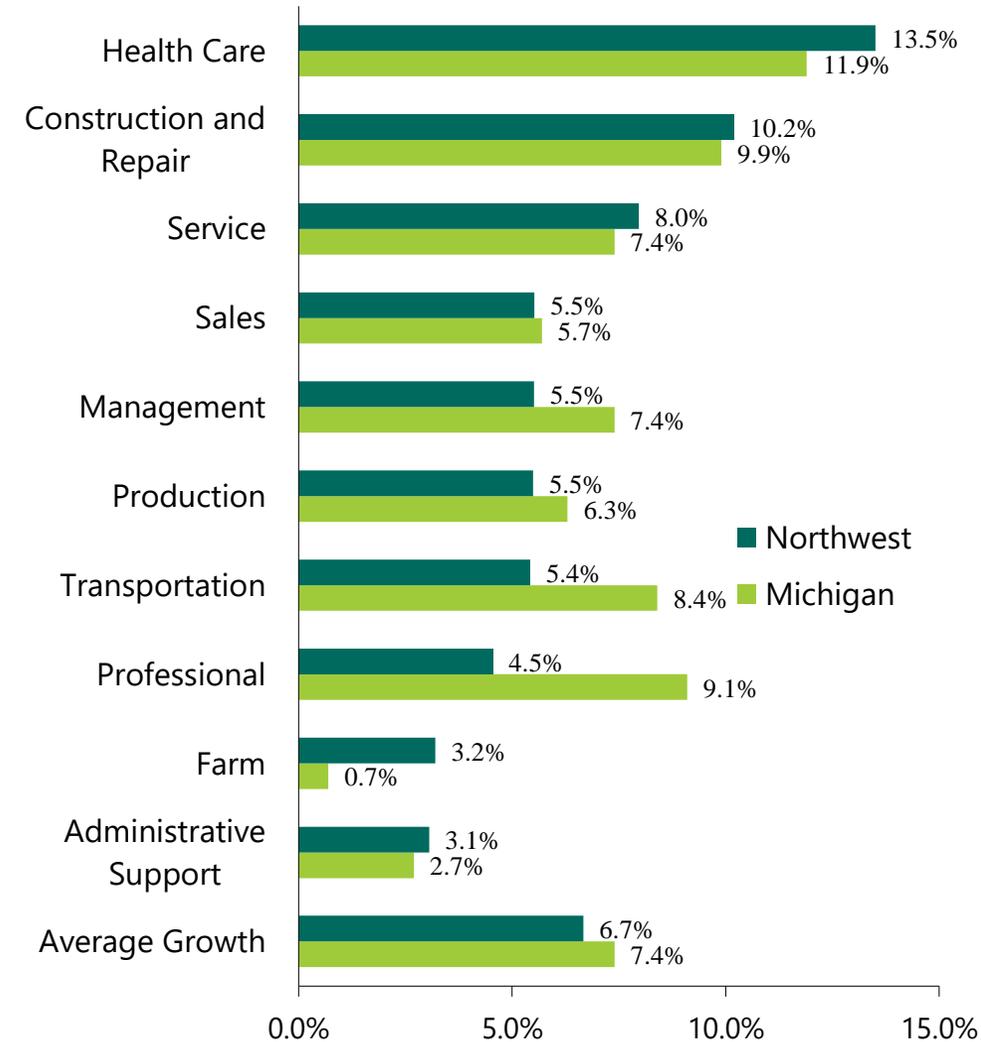
Source: Bureau of Labor Market Information and Strategic Initiatives

- The projected distribution of jobs in 2024 is similar to those calculated in the 2022 projections. **(Table 19)**
- Of the roughly 141,000 projected jobs in Northwest Michigan, about half will be in three major occupational groups: *Service*, *Administrative support*, and *Professional* occupations. **(Table 19)**
- Two occupational categories will make up more than 10 percent of the share of all jobs in the region, including *Sales* and *Health care*.
- *Service*, *Sales*, *Health care*, *Construction and repair* and *Farm* occupations are projected to hold a greater share of jobs than the state as a whole. **(Table 19)**
- Notably, the share of *Professional* occupations is much lower than that of the state, representing 13 percent of jobs in 2024 for Northwest Michigan as compared to 20 percent in Michigan overall. **(Table 19)**

# Half of Northwest Michigan's occupational groups projected to grow faster than the statewide average.

- Of the five fastest growing occupations, *Health care* and *Construction and repair* remained on the list as compared to two years ago. *Professional*, *Service*, and *Production* occupations increased in ranking, while *Farm*, *Management*, and *Transportation* moved down the list. **(Table 19)**
- *Health care*, *Construction and repair* are slated to grow at a rate greater than 10 percent, with *Health care* occupations adding 14 percent between 2014 and 2024. Each of these are projected to grow faster than in the state overall. **(Table 19)**
- The largest numeric increase in jobs will come from *Service* occupations increasing by 2,100 jobs (8.0 percent). *Health care* jobs are projected to have the 2<sup>nd</sup> largest numeric increase (+1,800) followed by jobs in *Construction* (+1,115). **(Table 19)**

Projected Percent Growth by Broad Occupational Groups (2014-2024)

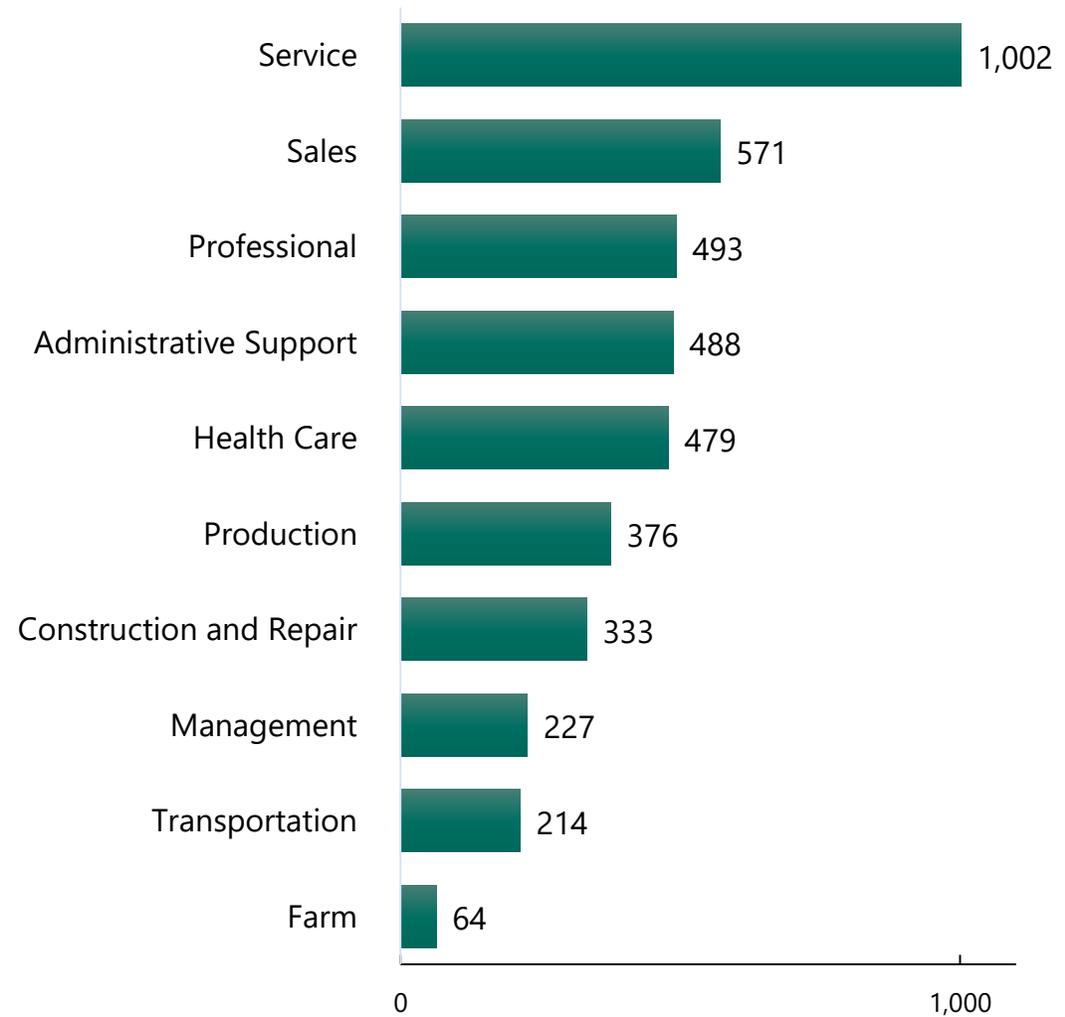


Source: Bureau of Labor Market Information and Strategic Initiatives

## Service and sales jobs expected to see highest number of annual openings.

- The list of top projected occupational annual openings remained the same as compared to the previous projections data. **(Table 20)**
- Because of the need to replace workers who are retiring or otherwise leaving the occupation in the area, the largest groups are projected to see the most annual openings through 2024. Nearly 76 percent of job openings will be due to replacement needs. **(Table 20)**
- In general, the top several occupational groups will add the most jobs simply due to their size, but some also have above average rates of growth. **(Table 20)**
- Most of the openings due to growth will be found in the *Service* occupations, with 216 job openings due to growth. *Health care* (180) *Construction* (120), and *Professional* (110) occupations are expected to grow by more than 100 jobs over the 2014-2024 period. **(Table 20)**

Projected Annual Openings by Broad Occupational Groups (2014 – 2024)

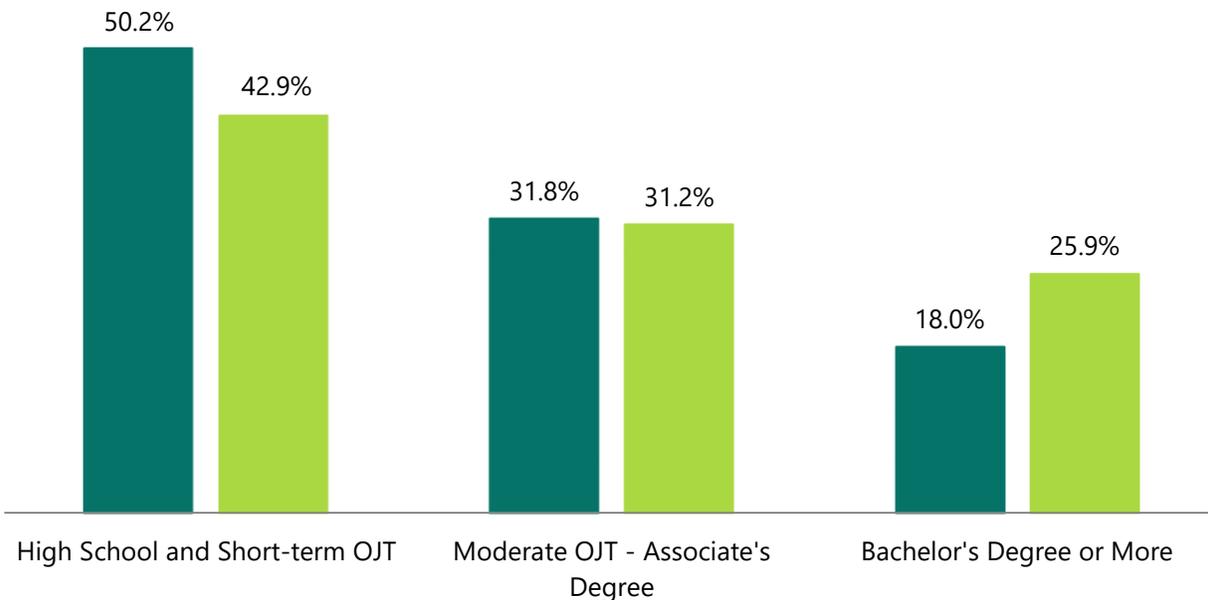


Source: Bureau of Labor Market Information and Strategic Initiatives

# Half of jobs in Northwest Michigan will require a high school diploma or less in 2024.

## Projected 2024 Occupational Employment by Education (Share of Total)

■ Northwest ■ Michigan

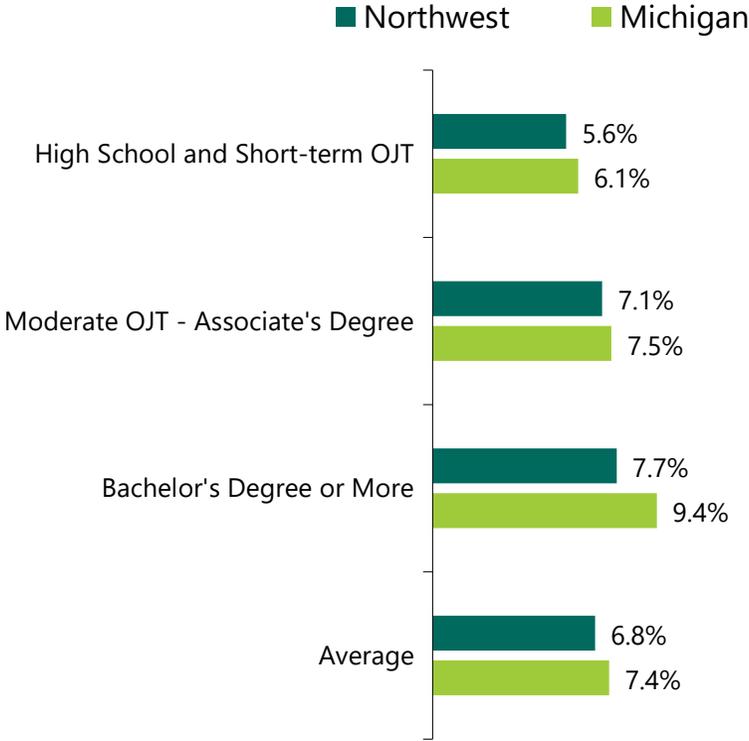


Source: Bureau of Labor Market Information and Strategic Initiatives

- The distribution of educational requirements for occupations in 2024 remained largely unchanged from the prior projections year. It is projected that slightly more jobs will require a bachelor's degree or more, while the other two categories declined slightly.
- By 2024, nearly half of Northwest Michigan jobs will still need only a high school diploma or less, with short-term to no on-the-job training. These occupations have a large employment base and will create jobs through the need to replace workers.
- Nearly 32 percent of the area's jobs will require an associate's degree, some post-secondary training, some college with no degree, or a high school diploma accompanied with an extended period (6+ months) of apprenticeship and/or on-the-job training.
- Positions requiring a bachelor's degree or more are projected to comprise less than a fifth of regional jobs in 2024.

# Jobs requiring a bachelor's degree or more expected to see the most growth by 2024.

## Projected Occupational Growth by Education



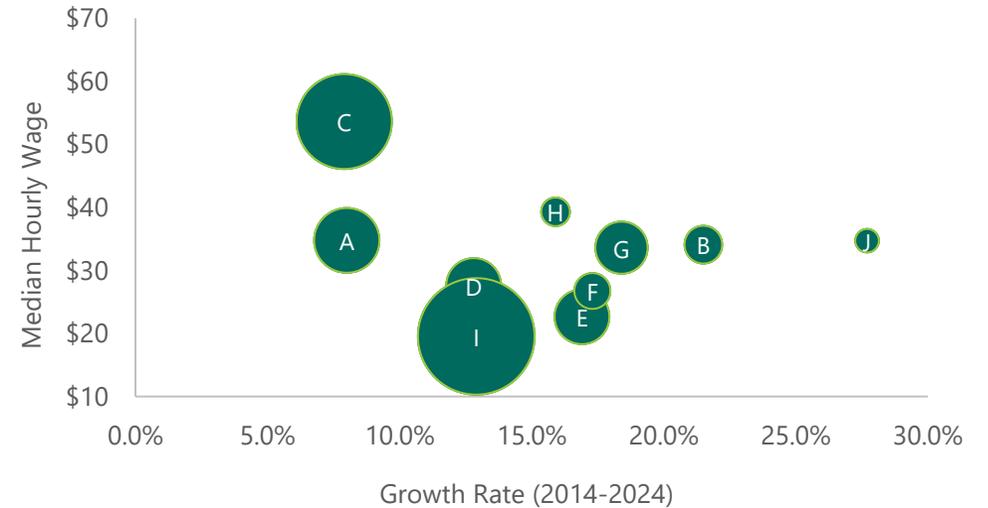
Source: Bureau of Labor Market Information and Strategic Initiatives

- Growth in occupations requiring a bachelor's degree or more in Northwest Michigan (7.7 percent) are projected to exceed the Northwest Michigan average growth rate (6.8 percent) through 2024. This group contains many of the fastest-growing *Professional* occupations for the region such as those in management, healthcare, and education.
- Jobs that require a high school degree and short-term on-the-job training are expected to grow at a slower rate (5.6 percent) compared to the other educational categories, following a trend in the state overall.
- The average growth rate in Michigan stood at 7.4 percent, which is above that of occupations requiring less than a bachelor's degree in Northwest Michigan

# Skilled trades and jobs requiring a bachelor's degree among the region's high-demand, high-wage occupations.

- The top high-demand, high-wage occupations changed from two years ago. Namely, *Computer systems analysts, Insurance sales agents, Market research analysts and marketing specialists, Mechanical engineers, Team assemblers, and Web developers* were added. Meanwhile, *Carpenters, Dental hygienists, Medical and health services managers, Physicians and surgeons, all other, and Registered nurses* were removed. **(Tables 23-26)**
- In general, occupations with a large employment base are expected to create many job openings due to the need to replace workers (size of the bubble on the chart). These include *Team assemblers, General and operations managers, and Accountants and auditors*. **(Tables 23-26)**

Annual Openings, Growth Rate, and Hourly Wage for High-Demand, High-Wage Occupations



	Occupation		Occupation
A	Accountants and Auditors	F	Market Research Analysts and Marketing Specialists
B	Computer Systems Analysts	G	Mechanical Engineers
C	General and Operations Managers	H	Physical Therapists
D	Insurance Sales Agents	I	Team Assemblers
E	Machinists	J	Web Developers

Source: Bureau of Labor Market Information and Strategic Initiatives

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